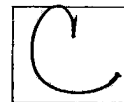


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01752A
Clearwater Utilities Company, Inc.
20441 W. Cheyenne
Buckeye, AZ 85326

RECEIVED

APR 16 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
----	----	------

FOR COMMISSION USE

ANN 04	07
--------	----

PROCESSED BY:

4-16-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Clearwater utilities Co, Inc</u>		
Mailing Address <u>20441 W. Cheyenne Rd</u>		
<u>Buckeye</u> (City)	<u>AZ</u> (State)	<u>85326</u> (Zip)
<u>623-386-4096</u> Telephone No. (Include Area Code)	<u>623-386-7334</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address <u>CLwater1 + AOL.COM</u>		
Local Office Mailing Address <u>Same as above</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>J.S. Guerin</u> <u>President</u>		
<u>7730 N. 2nd Ave</u> (Street)	<u>Phoenix</u> (City)	<u>AZ 85021</u> (State) (Zip)
<u>602-943-9794</u> Telephone No. (Include Area Code)	<u>602-595-1527</u> Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____		
On Site Manager: _____		
 (Street)	 (City)	 (State) (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

1

Statutory Agent: JJ GUERIN
(Name)

7730 N. 2nd Ave Phoenix AZ 85021
(Street) (City) (State) (Zip)

602-943-9794 623-595-1527
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: _____
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

Company Name: Clearwater Utilities Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization	\$ -	\$ -	\$ -
302	Franchises	-	-	-
303	Land & Land Rights	2,814	-	2,814
304	Structures & Improvements	23,210	5,703	17,507
307	Wells & Springs	29,109	4,018	25,091
311	Pumping Equipment	59,279	36,015	23,264
320	Water Treatment Equipment	-		-
330	Distribution Reservoirs & Standpipes	257,951	65,799	192,152
331	Transmission & Distrib. Mains	14,507	2,582	11,925
333	Services	33,727	17,493	16,234
334	Meters & Meter Installations	247,887	122,768	125,119
335	Hydrants	1,997	513	1,484
336	Backflow Prevention Devices	-		-
339	Other Plant & Misc Equipment	-		-
340	Office Furniture & Equipment	37,712	19,446	18,266
340.1	Computers & Software	9,769	7,034	2,735
341	Transportation Equipment	82,340	58,330	24,010
343	Tools, Shop & Garage Equip.	6,675	1,822	4,853
344	Laboratory Equipment	-		-
345	Power Operated Equipment	11,894	892	11,002
346	Communications Equipment	-		-
347	Miscellaneous Equipment	-		-
348	Other Tangible Plant	896	896	-
	TOTALS	\$ 819,767	\$ 343,311	\$ 476,457

Total Accumulated Depreciation amount goes on the Balance Sheet Acct. No. 108

Company Name: Clearwater Utilities Company, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1X2)
301	Organization	\$ -		\$ -
302	Franchises	\$ -		\$ -
303	Land & Land Rights	\$ 2,814	N/A	\$ -
304	Structures & Improvements	\$ 23,210	3.33%	\$ 773
307	Wells & Springs	\$ 29,109	3.33%	\$ 969
311	Pumping Equipment	\$ 59,279	12.5000%	\$ 7,410
320	Water Treatment Equipment	\$ -	3.33%	\$ -
330	Distribution Reservoirs & Standpipes	\$ 257,951	2.2200%	\$ 5,727
331	Transmission & Distrib. Mains	\$ 14,507	2.0000%	\$ 290
333	Services	\$ 33,727	3.33%	\$ 1,123
334	Meters & Meter Installations	\$ 247,887	8.3300%	\$ 20,649
335	Hydrants	\$ 1,997	2.0000%	\$ 40
336	Backflow Prevention Devices	\$ -	6.6700%	\$ -
339	Other Plant & Misc Equipment	\$ -	6.6700%	\$ -
340	Office Furniture & Equipment	\$ 37,712	6.6700%	\$ 2,515
340.1	Computers & Software	\$ 9,769	33.3300%	\$ 3,256
341	Transportation Equipment	\$ 82,340	20.0000%	\$ 16,468
343	Tools, Shop & Garage Equip.	\$ 6,675	5.0000%	\$ 334
344	Laboratory Equipment	\$ -	10.0000%	\$ -
345	Power Operated Equipment	\$ 11,894	5.0000%	\$ 595
346	Communications Equipment	\$ -	10.0000%	\$ -
347	Miscellaneous Equipment	\$ -	10.0000%	\$ -
348	Other Tangible Plant	\$ 896	10.0000%	\$ -
	TOTALS	\$ 819,767		\$ 60,149
	CIAC Amortization - Water Line	\$ 3,000	2.0000%	\$ (60)
	CIAC Amortization - Tank	\$ 50,000	2.2200%	\$ (1,110)

Actual Depreciation Expense \$ 58,979

Depreciation Expense amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

Company Name: Clearwater Utilities Company, Inc.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 225,912	\$ 252,706
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 33,179	
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 259,091	\$ 252,706
	FIXED ASSETS		
101	Utility Plant in Service	\$ 753,913	\$ 819,767
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	\$ 283,162	\$ 343,311
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 470,751	\$ 476,457
	TOTAL ASSETS	\$ 729,842	\$ 729,163

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

Company Name: Clearwater Utilities Company, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 12,364	\$ 15,725
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$ 60,516	\$ 61,244
236	Accrued Taxes	\$ 27,892	\$ 4,798
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 100,772	\$ 81,767
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 178,150	\$ 162,165
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	\$ 53,000	\$ 53,000
272	Less: Amortization of contributions	\$ (4,465)	\$ (5,635)
281	Accumulated Deferred Income Tax	\$ 73,261	\$ 73,261
	TOTAL DEFERRED CREDITS	\$ 299,946	\$ 282,791
	TOTAL LIABILITIES	\$ 400,718	\$ 364,558
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 15,000	\$ 15,000
211	Paid in Capital in Excess of Par Value	\$ 190,521	\$ 190,521
215	Retained Earnings	\$ 123,603	\$ 159,084
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 329,124	\$ 364,605
	TOTAL LIABILITIES AND CAPITAL	\$ 729,842	\$ 729,163

Company Name: Clearwater Utilities Company, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 455,339	\$ 458,260
460	Unmetered Water Revenue		169
474	Other Water Revenues	125,147	86,307
	TOTAL REVENUES	\$ 580,486	\$ 544,736
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 197,077	\$ 205,198
610	Purchased Water	484	2,227
615	Purchased Power	31,844	35,303
618	Chemicals		
620	Repairs and Maintenance	13,969	9,997
621	Office Supplies & Expense	23,341	17,810
630	Outside Services	11,278	15,413
635	Water Testing	4,721	1,942
641	Rents	7,500	11,000
650	Transportation Expenses	14,917	13,614
657	Insurance - General Liability	14,235	16,453
659	Insurance - Health and Life	16,981	9,102
666	Regulatory Commsn Exp-Rate Case		
675	Miscellaneous Expense	9,127	13,663
403	Depreciation Expense	43,405	58,979
408	Taxes Other Than Income	16,588	17,568
408.11	Property Taxes	29,301	23,160
409	Income Tax	39,268	39,957
	TOTAL OPERATING EXPENSES	\$ 474,036	\$ 491,386
	OPERATING INCOME/(LOSS)	\$ 106,450	\$ 53,350
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 5,335	\$ 5,470
421	Non-Utility Income		-
426	Miscellaneous Non-Utility Exp		-
427	Interest Expense	(233)	-
	TOTAL OTHER INCOME/(EXPENSE)	\$ 5,102	\$ 5,470
	NET INCOME/(LOSS)	\$ 111,552	\$ 58,820

COMPANY NAME

Clearwater Utilities Co, Inc

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 162,165

Meter Deposits Refunded During the Test Year

\$ 31,665

COMPANY NAME	Clearwater Utilities CO, INC
Name of System:	ADEQ Public Water System Number: 07-019

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
611624	15	475	370	8"	4"	1972
611625	15	175	400	10"	4"	
517731	7.5	100	300	8"	4"	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Waterman - SS. Guernu	110	2,651

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30 Hp. (owned)	3	22	
25 Hp. (leased)	2		
15 Hp. (owned)	2		
25 Hp. (owned)	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250 K (owned)	2	10 K (owned)	1
100 K (owned)	2	15 K (owned)	2
100 K (leased)	2	10 K (leased)	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Clearwater Utilities CO, INC
Name of System:	ADEQ Public Water System Number: 07-019

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4	AC	400
5		
6	AC	23.75 mi
8	AC	6.65 mi
10		
12		
6	PVC	3 miles
8	PVC	25 miles

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	823
1 1/2	
2	1
Comp. 3	
Turbo 3	4
Comp. 4	
Tubo 4	4
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

meter shop

OTHER:

2,000 ft. of 6' Fence w/ RAZOR ribbon.

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Clearwater utilities Co. Inc
Name of System: ADEQ Public Water System Number: 07-019

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	787	9,380	10,132	0
FEBRUARY	799	10,249	10,882	0
MARCH	804	11,005	11,435	0
APRIL	802	12,467	13,393	0
MAY	804	18,702	19,635	0
JUNE	804	16,955	17,882	0
JULY	806	19,120	20,160	0
AUGUST	805	19,770	20,777	0
SEPTEMBER	804	16,847	17,684	238
OCTOBER	804	16,279	16,539	502
NOVEMBER	806	12,198	11,925	927
DECEMBER	803	8,206	7,791	984
TOTALS →		171,228	178,235	2,651

What is the level of arsenic for each well on your system? _____ mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

() Yes

() No

no treatment

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes

() No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

55-611625-6.2

55-611624-3.8

55-512731-9.7

55-525227-4.4

COMPANY NAME Clearwater Utilities CO YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 23,159.68

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Clearwater utilities Co. YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

31,036
31,036

State Taxable Income Reported

Estimated or Actual State Tax Liability

8,920
8,920

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

0
0
0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

J. J. Guerin
SIGNATURE

4-14-08
DATE

J. J. Guerin.
PRINTED NAME

President
TITLE

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 7 6 2008

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES
NAME (OWNER OR OFFICIAL) TITLE	
COMPANY NAME	

Maricopa
J S GUEVIN
Clearwater Utilities Co, Inc

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

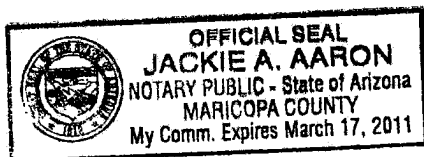
MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



J S Guevin
SIGNATURE OF OWNER OR OFFICIAL
623-386-4096
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

(SEAL)

MY COMMISSION EXPIRES

March 17, 2011

COUNTY NAME	
<u>Maricopa</u>	
MONTH	YEAR
<u>April</u>	<u>2008</u>

Jackie A. Aaron
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 16 2008

VERIFICATION

STATE OF AZ.

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>JJ Guerin</u>
COMPANY NAME	<u>Clearwater Utilities, CO INC</u>

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

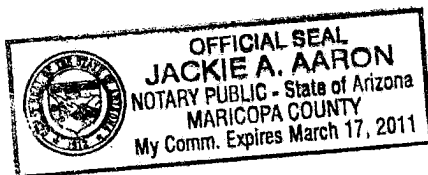
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:



Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 574,692

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 29,957

IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

(SEAL)

JJ Guerin
SIGNATURE OF OWNER OR OFFICIAL
623-386-4096
TELEPHONE NUMBER

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>2008</u>

Jackie A. Aaron
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

March 17, 2011

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED

APR 16 2008

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

COUNTY OF (COUNTY NAME)	MARICOPA	
NAME (OWNER OR OFFICIAL)	JJ GUERIN	TITLE President
COMPANY NAME	Clearwater Utilities CO, INC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 479,650

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 3,788
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

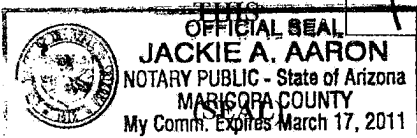
SIGNATURE OF OWNER OR OFFICIAL

623-386-4096

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES

March 17, 2011

DAY OF

NOTARY PUBLIC NAME	Jackie A. Aaron	
COUNTY NAME	Maricopa	
MONTH	April	2008

X Jackie A. Aaron
SIGNATURE OF NOTARY PUBLIC